PROGRESS REPORT FOR THE PRESIDENT ON THE IMPLEMENTATION OF EXECUTIVE ORDER 12352

May 16, 1983

OFFICE OF MANAGEMENT AND BUDGET

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# FOURTH PROGRESS REPORT ON THE IMPLEMENTATION OF EXECUTIVE ORDER NO. 12352

#### **EXECUTIVE SUMMARY**

Executive Order 12352 on "Federal Procurement Reforms" was signed on March 17, 1982. It requires heads of agencies to initiate specific procurement reforms to ensure effective and efficient spending of public funds, and the completion of a single, simplified Federal Acquisition Regulation. It also requires OMB's Office of Federal Procurement Policy (OFPP) to work with the agencies to provide broad policy guidance and overall leadership, and to report progress to the President. In addition, it requires the Director of the Office of Personnel Management (OPM) to ensure that personnel policies and standards meet agencies' needs for a professional procurement work force.

From January 1 through March 31, 1983 progress was made toward three short-term goals:

- o The five interagency task groups working to develop guidance to assist the agencies in implementing the Executive Order finished the majority of their drafting efforts and are in the process of soliciting and evaluating comments on their initial products so that final reports can be prepared. All five groups expect to complete their tasks on schedule four by the end of June and one by the end of December 1983.
- o Eighteen of the 44 agency Procurement Executives have been given charters by the heads of their agencies (or appropriate representatives) which give them primary authority, responsibility, and accountability for ensuring that their agencies' procurement systems perform effectively and efficiently. These charters equip the Procurement Executives for initiating and achieving mandated reforms. Several of the other 26 agencies have charters under development.
- o The Office of Personnel Management and the major procuring agencies continued their joint effort to resolve the major issues surrounding new classification and qualification standards for Federal employees in the contracting occupation. Results of this effort will be reported to the Cabinet Council on Management and Administration, which was briefed on the matter last December.

The other major reform effort now underway is the completion and implementation of a single simplified Federal Acquisition Regulation which will be used throughout the Executive Branch and provide "one face to industry" in the federal contracting arena. In March, the responsible agencies determined that they had to adjust certain milestones, resulting in a slippage of the FAR's effective date from October 1, 1983 to April 1, 1984. We are working with the agencies to make certain that the April 1 date is met.

Our entire implementation effort is now being reviewed by the General Accounting Office. The review was requested by the Subcommittee on Oversight of Government Management of the Senate Committee on Governmental Affairs, which asked to be kept informed during this Congress on the progress of procurement reform under the Executive Order. The initial GAO report is expected to be delivered to the Subcommittee in May 1983.

#### SIGNIFICANT EVENTS

- Jan. 6 The interagency team on the classification and qualification standards for Government employees in the contracting series (GS-1102 standards) met at OPM. Two agencies (representing 79% of Federal procurement dollars) and the OFPP presented specific suggestions for word changes in the proposed final standards.
- Jan. 14 All five interagency task groups agreed to follow a standardized outline in preparing their products. Adherence to the outline should make all task group products readily identifiable as E.O. 12352 implementation guidance and should facilitate review and application by the agency heads and staffs that receive the reports.
- Jan. 19 The Executive Committee on Federal Procurement Reforms heard status reports on the progress of the five interagency task groups working to develop guidance for agencies to use in implementing E.O. 12352.
- Jan. 21 The Cabinet Council on Management and Administration (CCMA) discussed the OFPP proposed Policy Letter on noncompetitive procurement, which would represent a significant tightening of the current constraints on noncompetitive awards, consistent with the Administration's Proposal for a Uniform Federal Procurement System (UFPS). The CCMA accepted a Defense Department recommendation that issuance of the Policy Letter be held in abeyance for 60 days pending completion of a DOD study of the reasons for noncompetitive awards.
- Jan. 25 OFPP briefed representatives of industry associations on Reform '88 and the status of ongoing efforts to implement E.O. 12352.
- Feb. 17 The Executive Committee met to consider the task groups' progress. The focus was on Task Group 4, which briefed the Committee on its approximately 20 modules of guidance and recommendations for reducing administrative costs and burdens.
- Mar. 9 OPM responded to agency suggestions submitted on January 6, 1983, and distributed a mark-up of its proposed final classification and qualification standards for comment. OPM requested agency members of the interagency team to indicate approval or disapproval of the mark-up and to provide related comments by April 1, 1983.
- Mar. 16 The Executive Committee received a preliminary draft of task group guidance on establishing clear lines of contracting authority and accountability, and a thorough briefing on the system criteria and guidance being developed for (1) enhancing competition and (2) evaluating and certifying procurement system performance. The Committee also reviewed the progress of the other task groups and discussed methods of disseminating task group products to the agencies.

- Mar. 16 DOD, GSA, and NASA announced changes in the schedule for completing and implementing the Federal Acquisition Regulation. The planned effective date changed from October 1, 1983 to April 1, 1984.
- OFPP hosted two meetings for all agency Procurement Executives. Mar. 30 Eighty-nine people attended, representing 39 of the 44 agencies that have designated Procurement Executives. During the morning meeting, which was intended for the smaller agencies, OFPP presented general information about the UFPS Proposal, the implementation of E.O. 12352, and the key role of Procurement Executives in establishing and effectively managing procurement systems, and the Executive Secretary of the Cabinet Council on Management and Administration discussed the role of the Council and its interest in procurement. At the afternoon meeting of the Federal Procurement Council, the OMB Deputy Director and Associate Director for Management addressed reform initiatives, and representatives of the GAO reported their preliminary findings on the agencies' implementation of E.O. 12352. OFPP reported on the status of the interagency task group projects and briefed the agency representatives on some issues of interest and administrative matters.

### FEDERAL ACQUISITION REGULATION (Section 2 of E.O. 12352)

#### Completing the Document.

Section 2 of the Executive Order requires DOD, GSA, and NASA to consolidate their common procurement regulations into a single simplified Federal Acquisition Regulation (FAR). Those agencies signed a Memorandum of Agreement on August 2, 1982 that established a schedule for completing the document. On March 16, the three agencies notified OFPP that they were revising that schedule to allow more time for executive review and printing and to provide time for distribution of the FAR after it is published. The schedule was revised, as follows:

Milestone	August 2, 1982 <u>MOA</u>	March 15, 1983 <u>Letter*</u>	Actual
Complete revision of initial FAR drafts based on agency and public comments	31 March 1983	31 March 1983	25 April 1983
Defense and Civilian Agency Acquisition Councils complete "executive review" of revised drafts prepared by DOD and GSA	(30 April 1983)	1 July 1983	
Publish FAR in Federal Register	1 July 1983	30 Sept. 1983	
Complete distribution of the FAR		15 Dec. 1983	- <del>-</del>
Effective date of the FAR	1 Oct 1983	1 Apr. 1984	

<sup>\*</sup>DOD, GSA, and NASA made the revised dates contingent upon --

- The relaxation of requirements imposed on agency FAR supplements under the Paperwork Reduction Act (responsibility: OMB's Office of Information and Regulatory Affairs);
- The timely completion of outstanding FAR parts (responsibility: DOD, GSA and NASA); and
- Other unidentified factors that "bear upon the attainment of the new milestones".

#### Agency Conversion to the FAR System.

Some agencies have made excellent progress in completing plans and undertaking programs to convert to the FAR System. The VA, AID, and the Departments of the Treasury, Energy, Interior, Agriculture and Health and Human Services deserve recognition in this regard. NASA has continued with its exemplary program.

However, overall progress toward converting to the FAR System has been inadequate. Conversion requires detailed planning and the dedication of scarce resources, and many agencies have done very little of either. This lack of initiative has been attributed by some agencies to their uncertainty about when the FAR will be 1) published and 2) effective in light of repeated schedule changes throughout the life of the project, the most recent of which was announced in March after a month of general awareness that the schedule was being reevaluated. Although it does not excuse inaction, such uncertainty is an obstacle to progress in this area. OMB is working with the three regulatory agencies to assure that the revised dates are <u>final</u> dates.

Top managers in each agency that have not already done so must make the tradeoffs necessary to dedicate adequate resources to prepare for conversion to the FAR System. Delaying this preparation process any longer will seriously jeopardize an agency's ability to make a smooth transition to use of the FAR by the new and final effective date of April 1, 1984.

Our next report on this subject will include an assessment of the progress being made by the 25 largest procuring agencies in establishing and executing programs to:

- 1. Develop and publish an agency FAR Supplement that implements the FAR to the extent necessary, without duplicating, paraphrasing, or contradicting the FAR.
- 2. Familiarize the affected work force with the FAR and how to use it.
- 3. Modify existing automated procurement and document preparation systems so they can operate in a manner fully consistent with the FAR as of April 1, 1984.

#### PERSONNEL CLASSIFICATION AND QUALIFICATION STANDARDS

(Section 3 of E.O. 12352)

Consistent with the December 8, 1982 decision of the Cabinet Council on Management and Administration (CCMA), the Office of Personnel Management has been reviewing its proposed final standards with an interagency team of high-level officials from agencies represented on the CCMA. After receiving written suggestions from some team members on January 6, OPM prepared a mark-up of its proposed final standards. OPM distributed the mark-up for comment on March 9. The agencies were asked to indicate their approval or disapproval of the mark-up, and to submit comments by April 1, 1983 on any areas of remaining disagreement.

#### TASK GROUP EFFORTS

#### General.

Five interagency task groups are continuing their work to develop guidance for agencies to use in implementing the Executive Order. Four of the five groups plan to deliver their final products to the Executive Committee on Federal Procurement Reforms by the end of June 1983, and the fifth group plans to complete its work by the end of the year.

These task groups have been the primary focus of implementation efforts again this quarter. As soon as their products are completed, however, the groups will dissolve and the focus will shift to the individual agencies. Agencies, having the task group guidance as a baseline, will need to develop comprehensive plans to implement all aspects of the Executive Order and follow through aggressively to achieve its objectives.

## Task Group 2: Establishing Clear Lines of Contracting Authority and Accountability.

The Chairman of Task Group 2 (Mr. Colonel Armstrong of the Interior Department) briefed the Executive Committee at its March meeting on the task group's draft of its final product, and circulated the draft for comment to the 44 agency Procurement Executives. The document synthesizes subgroup reports prepared from November 1982 through February 1983 on the following topics:

- Organizational Placement of the Procurement Function and Flow of Contracting Authority
- 2. The Head of the Procuring Activity
- 3. The Roles, Responsibilities, and Duties of Contracting Officers
- 4. The Significance and Influence of Signatory Authority, as Opposed to Award Authority, in the Procurement Process

The task group is currently evaluating the comments and suggestions received and plans to submit its final report by June 30, 1983.

#### Task Group 3: Improving Government Procurement System Performance.

The task group briefed the Executive Committee in March on its two major products, both of which are in draft form: Criteria for Enhancing Competition, and Criteria for Evaluating and Certifying Procurement Systems and Their Performance. Both drafts are being distributed for comment to the Executive Committee members, agency Procurement Executives, the other task groups, interested industry associations. selected procurement schools, and the Army Procurement Research Office. The Chairman (Major General Joseph Connolly of the Defense Logistics Agency) expects to submit completed products to the Executive Committee by the end of June.

#### Task Group 4: Reducing Administrative Costs and Burdens.

The task group's six subgroups completed final drafts of 19 modules of guidance and recommendations. All 19 modules are undergoing final review and editing at the

task group level. The Chairman (Brigadier General Bernard Weiss of U.S. Air Force Headquarters) expects to deliver 19 final products addressing the following subjects to the Executive Committee by June 15, 1983.

#### Document Simplification

- 1. Simplification of solicitations and contracts
- 2. Simplification of the Uniform Contract Format
- 3. Use of a letter Request For Proposal for noncompetitive procurements

#### Contract Placement

- 4. Raising socioeconomic thresholds
- 5. Blanket wage determinations
- 6. Raise thresholds at which Cost Accounting Standards are applied
- 7. Multiyear leasing of Automatic Data Processing Equipment
- 8. Multiyear procurement
- 9. Customer assistance
- 10. Price analyst staffing

#### Contract Administration

- 11. Contract closeout
- 12. Contractor performance profile
- 13. Contract administration guidelines
- 14. Review procedures for post-award contractual actions

#### Reporting

- 15. Federal Procurement Information Exchange Service
- 16. Annual Representations and Certifications
- 17. Small business subcontracting plans

#### Automation

- 18. Automation plan
  - a. FAR automation
  - b. Systems inventory

#### Major Systems

19. OMB Circular A-109 revision

#### Task Group 5: Simplifying Small Purchases.

Task group members completed their initial drafts of recommendations for further simplifying or expanding the use of existing purchase and payment methods, as well as associated guidance for agency implementation of those recommendations. Coordination and preparation of final drafts are underway. The task group is continuing to consult with the Treasury Department on the possibility of authorizing new methods of paying for small purchases (e.g., local check writing, bank credit cards, money orders).

The group completed a final draft of the questionnaire it proposes to use to survey small businesses that sell products or services to the federal Government under

small purchase contracts. Necessary material has been filed to initiate a public comment period on the questionnaire and obtain OMB clearance of the survey before it is scheduled to commence in mid-June.

The Chairman (Raymond Chiesa of the Defense Logistics Agency) expects to complete all task group products before the end of December 1983, at or ahead of schedule.

#### Task Group 6: Career Management Programs.

Subcommittee drafts on (1) Infrastructure for Procurement and Career Management, (2) Procurement Intern Program, (3) Contracting Officer Qualifications, (4) Career Development and Training, (5) Recruitment, and (6) Education are nearing completion. Several of these programs have been tied together in a package of initiatives to be presented to the Executive Committee in May 1983 by the task group Chairman (Rear Admiral Joseph Sansone of the Naval Material Command).

A new subcommittee covering career development requirements for small purchase personnel was established in February and has been meeting regularly.

The final three subcommittees concerned with Performance Appraisal and Incentive Programs, Procurement Research Programs, and Classification and Qualification Standards for the GS-1105 (small purchase) and GS-1106 (procurement clerk) occupational series, were recently established and work in each of these areas is now underway.

#### AGENCY IMPLEMENTATION ACTIONS

Agency heads are responsible for implementing Section 1 of Executive Order 12352. The initial phase of the Government-wide implementation program has involved a pooling of agency resources in the form of interagency task groups to identify specific actions all or most agencies can take to implement seven of the nine mandates in Section 1.\* Twenty-six agencies have contributed the time and talents of their employees to the task group efforts. Column 4 in Table I indicates the degree to which the procuring agencies have participated in these groups.

The second phase of the implementation program begins as task group products are made available to the agencies. At that juncture, individual agencies assume full responsibility for developing an implementation plan, using task group guidance to the extent the agency head considers appropriate, and following through to ensure attainment of the Executive Order's objectives.

<sup>\*</sup>OMB and the agency heads leading the reform effort have not yet initiated any collective or concerted action on the Subsection 1(b) mandate to "strengthen the review of programs to balance individual program needs against mission priorities and available resources." Regarding the mandate to pay contractors in a timely manner, Government-wide coordination was obtained in the development of OMB Circular A-125, which provided direction and guidance for agency implementation of the Prompt Payment Act. This obviated the need for a task group to deal with Subsection 1(f) of E.O. 12352.

Regarding Section 1 mandates, agencies have reached the "second phase" in two areas:

- 1. Prompt Payment (Subsection I(f)).
- 2. Establishment of Procurement Executives (Subsection 1(i)).
- 1. Prompt Payment. OMB Circular A-125, "Prompt Payment," issued August 19, 1982, prescribes policies and procedures to be followed by agencies in paying for property and services acquired under Federal contract. In implementing the Circular, agencies effectively implement Subsection I(f) of E.O. 12352. Information bearing on the effectiveness of agency implementation will be reported to the Director of OMB on a fiscal year basis, in accordance with the Circular, beginning with FY 1983. The Financial Management Division of OMB will receive this information in November 1983 and must submit a report to Congress within 120 days after the end of the fiscal year.

In addition to the action on prompt payment, the Office of Federal Procurement Policy is working with other OMB staff members to review the cash management principles in the Federal Acquisition Regulation, with a view to strengthening them where feasible. For example: requiring the recognition of the time value of money to the Government in initial negotiations; making the use of Government financing more selective; and raising the dollar thresholds that qualify contracts for progress payments, are areas under consideration that could generate savings for the Government.

2. Establishment of Procurement Executives. Task Group I, which undertook its task before the other task groups were formed, produced a "Model Charter for Procurement Executives." The model charter was approved by the Administrator of OFPP and the Deputy Director of OMB and was sent to agency heads on July 8, 1982, with a covering memorandum signed by the OMB Director, which said, in part:

"Executive Order 12352 of March 17, 1982, identifies a number of major initiatives aimed at improving Federal procurement. Among these initiatives is the requirement for all agency heads to designate a Procurement Executive with agency-wide responsibility to oversee development of procurement systems, evaluate system performance in accordance with approved criteria, enhance career management of the procurement work force, and certify to the agency head that procurement systems meet approved criteria.

In order to facilitate agency action on this initiative, an interagency task group has developed a model charter which identifies the appropriate placement of the Procurement Executive within an agency's organizational structure, sets out primary duties and responsibilities, and lists functions appropriate for delegation to subordinate procurement organization heads and contracting officers. The model charter is intended as a guide and may be adopted or modified to the extent necessary so long as it is consistent with the purpose and scope of the Executive Order."

An agency's charter is evidence of the agency's readiness to proceed with other mandated reforms. It should vest the Procurement Executive with the responsibility, authority, and visibility necessary to initiate and follow through with appropriate changes to the agency's procurement system. This fundamental preparation for reform is absolutely essential to achieving the objectives of E.O. 12352.

Column 6 in Table I shows that, across the board, agencies have acted to designate Procurement Executives. Column 7 shows that 21 agencies have followed through by establishing a charter that specifies the Procurement Executive's responsibilities and authorities. In at least one case (Labor) an agency has made organizational changes to accommodate the letter and the spirit of the Executive Order's mandate and the Model Charter's guidance. However, 23 agencies have not yet established a formal charter for their Procurement Executives, either in the form of a stand-alone document entitled "Charter" or in the form of equivalent substance appearing in appropriate agency directives. Of these 23 agencies, seven (DOD, Interior, AID, SBA, ICC, OPIC, and Agriculture) have draft charters in some stage of development and one (VA) is considering establishing a charter.

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#### TABLE I

### E.O. 12352 IMPLEMENTATION KEY ACTIONS THROUGH MARCH 1983

•	το	TOTAL FY 1982 ACTIONS			Designated	Established
AGENCY	No. Actions	Dollars (000)	% of Total <u>Dollars</u>	of Task Group <u>Members</u>	Procurement Executive	PE Charter
1. Defense	12,950,199	125,082,843	78.7	38	x	_1
2. Energy	33,361	13,875,050	8.7	7	x	_2
■ 3. NASA	135,733	5,452,699	3.4	10	x	X
4. GSA	545,432	3,056,247	1.9	13	X	X
5. VA	1,881,468	2,224,180	1.4	5	x	
6. Interior	608,154	1,488,149	0.9	13	X	<b></b>
7. Agriculture	724,517	1,482,403	0.9	4	x	•••
8. Transportation	268,118	1,163,669	0.7	4	x	Х
9. HHS	545,785	1,053,027	0.7	1	x	
10. TVA	372,426	898,416	0.6	0 .	x	
11. Treasury	97,516	523,504	0.3	1	x	X
12. EPA	38,424	396,224	0.3	3	x	
13. Labor	36,569	382,080	0.2	0	x	X

Note 1: Defense has had an "Acquisition Executive" responsible for the acquisition of weapon systems, including procurement policy. The same individual was designated DOD's Procurement Executive. Action is being taken to clarify his responsibilities under E.O. 12352, as well as those of his counterparts in the Military Departments.

Note 2: Energy has internal directives and official functional descriptions that vest in its Procurement Executive responsibilities that are equivalent to most, but not all, elements of the Executive Order and the Model Charter.

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#### TABLE I (continued)

#### E.O. 12352 IMPLEMENTATION KEY ACTIONS THROUGH MARCH 1983

	TC	OTAL FY 1982 ACTIO	ons	Number of	De signa ted	Established
AGENCY	No. Actions	<u>Dollars (000)</u>	% of Total <u>Dollars</u>	Task Group <u>Members</u>	Procurement Executive	PE Charter
14. Justice	437,522	290,686	0.2	0	x	X
_ 15. AID	8,136	260,471	0.2	1	x	as 44
16. OPM	10,141	214,946	0.1	1	X	X
17. Commerce	60,140	193,435	0.1	5	x	X
18. FEMA	2,387	166,941	0.1	3	x	X
19. NSF	1,912	156,827	0.1	6	×	Х
20. State	14,189	147,616	less than 0.1	2	. <b>x</b>	X
21. Education	2,914	138,984	u .	2	x	X
22. HUD	10,983	49,243	п	2	x	X
23. NRC	4,447	46,680	H .	2	x	
24. USIA	17,367	28,940	ıı .	2	x	
25. SBA	8,220	26,118	n ·	3	x	
26. ACTION .	5,235	12,545	Ħ	0	x	
, 27. Peace Corps	5,448	12,120		0	x	, <b>X</b>
28. Executive Office of the President	1,021	11,026	ti .	0	x	
29. Railroad Retiremen Board	t 1,210	6,767	o o	0	х	

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# TABLE I (continued) E.O. 12352 IMPLEMENTATION KEY ACTIONS THROUGH MARCH 1983

		OTAL FY 1982 ACTION	ONS	Number	. De signa ted	Established
AGENCY	No. Actions	Dollars (000)	% of Total <u>Dollars</u>	Task Group Members	Procurement Executive	PE Charter
30. FTC	4,301	6,353	'n	O	x	х
31. SEC	2,010	5,380		o	x	x
32. NLRB	1,236	4,160	u ·	0	X	
33. Commodity Futures Trading Commission	1,659	4,011	n	. 0	x	
34. ICC	994	3,907	10	0	x	
35. FCC	2,000	3,710	11	o	x	
36. CPSC	1,096	2,375	11	o	x ·	
37. CAB	272	1,819	11	0	X	X
38. ACDA	102	1,687		0	·x	
39. Bd for International Broadcasting	80	385	n .	0	X	Х
40. Federal Labor Relations Authority	*	, <b>*</b>	н	0	x	X
41. Federal Home Loan Bank Board	*	*	п	0	X	x
.42. Overseas Private Investment Corp.	*	· *	11	0	X	
43. CIA	#	*	. "	0	X	x
44. Merit Systems Protection Board	*	*	. 11	0	<b>x</b> .	

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In addition to their task group participation and their efforts to establish Procurement Executives, some agencies are pursuing internal reviews and reforms that foster implementation of the Executive Order. Many of these initiatives were described in the second and third reports. The level of activity was even greater during this reporting period. A few outstanding examples are:

#### General

The Treasury Department has identified specific objectives in the areas of commercialization, simplification, improved competition, and system standards. For each objective, it has established a plan of action, milestones, and individual responsibility for their completion.

#### E.O. Section 1(a) - Reduce Administrative Costs and Other Burdens

The <u>Department of Defense (DOD)</u> has almost completed tests of prototypes of simplified solicitations to be used for contracts estimated at up to \$500,000. Prototype testing will lead to a system of simplified contract formats to reduce paperwork and administrative effort.

#### E.O. Section 1(b) - Strengthen Review of Programs to Balance Individual Program Needs Against Mission Priorities and Available Resources

The <u>Justice Department</u> has implemented an Advanced Procurement Planning System specifically designed to improve efficiency in the contracting process from both a program and procurement perspective. The system requires advance identification of (1) functions which will be performed by contract and (2) those requirements in support of in-house functions which will be fulfilled by contract. The initial identification takes place in January of each year or nine months prior to the fiscal year for which the plan is developed. Senior procurement personnel then convene with program personnel to jointly plan procurement strategies and determine the date that the procurement cycle must begin and when milestones must be accomplished to assure timely award of each requirement in concert with mission objectives.

<u>DOD</u> issued revised "Major System Acquisition Procedures" which will streamline program review procedures and strengthen the decision-making process by fostering a continuous dialogue between Office of the Secretary of Defense and the DOD Component participants in the acquisition process.

# E.O. Section 1(c) - Ensure Timely Satisfaction of Mission Needs at Reasonable Prices by Establishing Criteria to Improve the Effectiveness of Procurement Systems

The procurement staff at the headquarters level in the Justice Department is rated semi-annually by the program offices to evaluate its effectiveness. Some of the criteria used in this "report card" evaluation are: (1) the quality of goods and services received, (2) the efficient use of program funds, and (3) the overall support the procurement staff gives to helping attain mission objectives.

#### E.O. Section 1(d) - Enhance Competition and Limit Noncompetitive Actions

The Veteran's Administration is eliminating unnecessarily restrictive specifications from its requirements. By eliminating certain requirements from procurements of replacement windows, the VA experienced an immediate increase in competition and reduction in costs in contracts for replacement windows.

#### E.O. Section 1(e) - Simplify Small Purchases

DOD is testing the prototype of a unilateral modification of purchase orders (rather than using a document that must be signed by both parties) for wider use within DOD. This has the potential for eliminating delays in making changes to orders.

## E.O. Section 1(g) - Establish Clear Lines of Contracting Authority and Accountability

Having adopted the Model Charter for Procurement Executives, the <u>National Science Foundation</u> has reviewed and redefined its existing procurement delegations. All the delegations are being reissued so that all procurement authority flows through and is delegated by the Procurement Executive.

#### Section 1(h) - Develop a Highly Qualified, Professional Work Force

The <u>Department of the Interior</u> established a summary file containing statistics on warranted contracting officers to monitor administration of training needs under the Department's contracting officer warrant system.

The National Science Foundation has begun to inventory the procurement training completed by its contracting staff. Once compiled, the information will be used as an indicator of future procurement training needs, and as an aid in assigning work.

The <u>Department of Energy</u> established a system for identifying and initiating rotational assignments for individual professional development in the procurement area.

#### E.O. Section 1(i) - Designate a Procurement Executive to Oversee Agency-wide <u>Procurement Systems</u>

The <u>Department of Agriculture</u> has developed a Charter for subagency Procurement Executives, which will be used as USDA agencies begin appointing Procurement Executives in the near future.